

*"Congress needs to ask hard questions" about impact on jobs, fees, frequent flyer programs, executive bonuses, routes and prices, Rep. Luis V. Gutierrez says*

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**(Chicago, IL)** – Congressman Luis V. Gutierrez (D-IL-4) held a press conference in Chicago with airline industry employees and union representatives to underscore the potential downsides of the planned merger of United Airlines and Continental Airlines. He said while the merger could be good for Chicago -- United headquarters here and the new merged airline would be headquartered here, too -- aspects of the merger raise serious concerns, especially from the standpoint of consumers, passengers, and airline employees. Rep. Gutierrez, who said he was neutral on whether Congress should approve the merger, said he would work to raise his concerns about the merger with his colleagues in the House.

Specifically, Rep. Gutierrez pointed to the \$523 million revenue for United and Continental in combined baggage fees and \$1.2 billion in combined revenue from all passenger fees in 2009, all while United recently announced passenger-unit revenues up 25%, topping pre-recession levels.

"That's good news for United -- and a good time to review the fairness and necessity of these fees," Gutierrez said pointing to a suitcase with the \$523 million baggage fee price tag affixed. "I believe the new United should have a new outlook about fee after fee that digs deep into consumers' pockets."

Gutierrez also said he was receiving complaints from constituents about difficulties, restrictions, and expenses when trying to cash-in frequent flyer program miles. He said that while the airlines do not release details, he calculated at least 18 billion miles saved by consumers in United's Mileage Plus program, which they have few opportunities to actually use.

"Congress has a responsibility to stand up for consumers and protect their interests when they are regularly promised something only to find out that receiving what is promised is next to impossible," Gutierrez said of frequent flyer programs.

Rep. Gutierrez was joined by several airline employees and union representatives who detailed how lost jobs and wages within the industry are already taking a toll. Captain Herb Hunter represented the Air Line Pilots Association, Christine Schlegel spoke on behalf of the Association of Flight Attendants, and Rich Petrosky spoke on behalf of the Teamsters union. Each expressed their concerns over the potential for further losses related to the merger.

"In the past few years, as so many airlines have cut wages and benefits, they realized that they could also save money by cutting maintenance jobs and contracting out critical aircraft maintenance to the lowest bidder," said Petrosky, a forty-year employee of United who is a union shop foreman at UAL's San Francisco maintenance facility. "I'm not talking about changing a light bulb in the lavatory. I'm talking about critical maintenance; engine work, flight controls, landing gear, airframe repairs...work that, if not held to the highest standard, puts you, your family and my fellow United Airlines employees at risk."

Rep. Gutierrez spoke of the safety net provided to Continental executives if they choose not to stay on with the new company that includes \$27 million in "Golden Parachute" bonuses for just three executives.

"Other top-level executives who are affected by the merger are in line for similar paydays," Rep. Gutierrez said. "Again, multi-millions in salaries to a few in an atmosphere where union after union has made concessions and worker after worker has lost their job."

Finally, the Congressman said, "I plan to bring the concerns and issues that we will hear about today directly to Congress, directly to the committee of jurisdiction, and directly to the feet of Continental and United executives to demand that they do the right thing by their workers and their customers."

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